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CALIFORNIA STATE TREASURER PHIL ANGELIDES

FOR IMMEDIATE RELEASE
November 16, 2006

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CALIFORNIA TREASURER PHIL ANGELIDES ANNOUNCES SIGNIFICANT ENHANCEMENTS TO SCHOLARSHARE COLLEGE SAVINGS PLANS

*ScholarShare to Offer Lower Fees and More Investment Options for
California Families through New Program Manager Fidelity Investments*

SACRAMENTO, CA -- California State Treasurer Phil Angelides, chair of the ScholarShare Investment Board, announced today that under new program manager Fidelity Investments the ScholarShare College Savings Plan will begin offering significant enhancements. ScholarShare, launched by Angelides in 1999, helps families meet the rising cost of college by offering a tax-advantaged 529 college savings program. Beginning today, ScholarShare will offer families lower fees, more investment options, and easier access to account information.

“Nothing is more important than investing in a child’s future, and ScholarShare offers an easy way to save for higher education with long-term growth and tax benefits,” Angelides said.

Under the enhanced ScholarShare Direct Plan, fees will start as low as 50 basis points (.5 percent or \$5 per \$1,000 invested) for index fund portfolios. Families can choose from a wide range of investment strategies, including two age-based options, six static portfolios, five individual fund portfolios and the Social Choice Portfolio, and can choose from index and actively managed portfolios.

With the ScholarShare Direct Plan, families will have access to complimentary, unlimited college planning and investment guidance services. Fidelity representatives will be available to provide account assistance and discuss college planning needs and financial goals at 22 investment centers throughout California, online, or by phone 24 hours a day, 7 days a week. Fidelity will also offer College Planning seminars throughout California to help families learn about college costs and college savings options. In addition, Fidelity will offer the ScholarShare Advisor College Savings Plan, available through financial advisors.

Fidelity also offers the Fidelity Investments 529 College Rewards American Express Card that lets families earn 1.5% on eligible retail purchases, accumulating Rewards Points that are converted to “Fidelity 529 Dollars” when deposited in a 529 account. Accounts may be opened with as little as \$50, or \$15 if an automatic investment plan is



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set up. The ScholarShare Direct Plan does not have an income limit and offers a high maximum contribution limit of \$300,000.

More investment choices, more customer services, combined with some of the country's lowest fees, and the fact that ScholarShare does not charge any annual or administrative fees, make ScholarShare a great value. These changes will also enable families to maximize their college savings and invest in a way that best meets their needs.

The new tax-advantaged ScholarShare plans are immediately available to California residents, and existing ScholarShare accounts have been automatically transferred to the most similar options under the new plan.

Treasurer Angelides launched ScholarShare in California in 1999, and the program has since grown to more than 178,000 accounts and more than \$2 billion in assets.

Fidelity, a firm with more than 60 years of investment experience, is a leading 529 plan manager with more than 780,000 college savings accounts and \$10.5 billion in college savings. Fidelity was chosen as program manager in a competitive bid process.

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For more information about investing in the Golden State ScholarShare College Savings Trust, you must carefully read the Disclosure Booklet (available at www.scholarshare.com). Neither contributions nor investment returns in ScholarShare are guaranteed. Investment results will vary based on market performance and the value of your investment can go up or down. Investors who reside in, pay taxes, or receive income from a state other than California should consider whether that state offers a 529 plan with favorable state tax or other benefits not available through ScholarShare.